

Agency 107

**Washington State Health Care Authority****Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2013-15 Expenditure Authority</b>	1,131.9	4,245,757	8,202,587	12,448,344
<b>Total Maintenance Level</b>	1,131.9	4,292,660	8,882,005	13,174,665
Difference		46,903	679,418	726,321
Percent Change from Current Biennium	0.0%	1.1%	8.3%	5.8%
<b>Performance Changes</b>				
State Health Care Innovation Plan #	2.0	1,201	1,540	2,741
Federal Basic Health Planning		500		500
Behavioral Health Redesign	1.5	229	195	424
Maintain Managed Care Rates		(10,291)	(10,700)	(20,991)
ProviderOne Phase 2 Funding	(1.3)	1,923	7,109	9,032
ProviderOne Operating Rules		197	1,056	1,253
Cost Allocation Update for Health Benefit Exchange	5.4	711	4,906	5,617
Centers for Medicare and Medicaid Services "Lock-Out" for CHIP		347	644	991
ProviderOne Affordable Care Act Enhancements		1,120	2,365	3,485
ProviderOne Phase 2 Operations and Maintenance	13.4	693	1,698	2,391
Medicaid Plan Choice		390	3,510	3,900
Developmental and Autism Screenings		2,742	3,453	6,195
Attorney General Legal Services		3	3	6
Office of Chief Information Officer Services		2	2	4
Administrative Hearings		4	5	9
State Employee Health Insurance		(297)	(474)	(771)
<b>Subtotal</b>	21.0	(526)	15,312	14,786
<b>Total Proposed Budget</b>	1,152.8	4,292,134	8,897,317	13,189,451
Difference	21.0	46,377	694,730	741,107
Percent Change from Current Biennium	1.9%	1.1%	8.5%	6.0%

## **HUMAN SERVICES - OTHER**

### **PERFORMANCE LEVEL CHANGE DESCRIPTIONS**

#### **State Health Care Innovation Plan #**

In February 2013, Washington State received nearly \$1 million from the Centers for Medicare and Medicaid Services Innovations fund to develop the collaborative State Health Care Innovation Plan. Additional funding is provided to fully develop and implement a five-year innovation plan to help transform public and private health purchasing and the delivery of health care with the goal of achieving better health care and lower health care costs. (General Fund-State, General Fund-Federal)

#### **Federal Basic Health Planning**

Funding is provided for the design, development, and fiscal modeling of a Basic Health Plan option. Fiscal modeling includes the procurement of an econometric firm to complete an actuarial analysis of benefits and rate development.

#### **Behavioral Health Redesign**

Funding is provided for additional staff and an actuarial analysis to support procurement of mental health and chemical dependency services and to help move the behavioral health system towards phased integration with those systems that provide medical services to Medicaid participants. (General Fund-State, General Fund-Federal)

#### **Maintain Managed Care Rates**

The November 2013 maintenance level forecast includes a 2 percent rate increase in calendar year 2015 for the Health Options and Health Options Blind and Disabled eligibility categories. Funding is reduced to hold future costs at the calendar year 2014 rate level. (General Fund-State, General Fund-Federal)

#### **ProviderOne Phase 2 Funding**

Funding is provided to align the ProviderOne Phase 2 project period with the implementation schedule of the recently procured Provider Compensation Subsystem and Services vendor. Funding is also provided to complete implementation of the 1099 provider transition to ProviderOne. (General Fund-State, General Fund-Federal)

#### **ProviderOne Operating Rules**

Funding is provided to implement enhancements to Washington's Medicaid Management Information System called ProviderOne. The enhancements are necessary to comply with the federally mandated rules promulgated by the Council for Affordable Quality Healthcare Committee on Operating Rules for Information Exchange. (General Fund-State, General Fund-Federal)

#### **Cost Allocation Update for Health Benefit Exchange**

Additional funding is provided to fund the cost allocation of Medicaid and Children's Health Insurance Program (CHIP) expenditures from the Washington Health Benefit Exchange. Costs allocated to Medicaid qualify for approximately 90 percent Federal Funding Participation (FFP) for the development and implementation of an information technology system; 75 percent FFP for system operations; and 75 percent FFP for customer support center services. (Health Benefit Exchange Account-State, General Fund-State, General Fund-Federal)

#### **Centers for Medicare and Medicaid Services "Lock-Out" for CHIP**

New rules promulgated by the Centers for Medicare and Medicaid Services, (42 CFR 457.570) limit the lock-out period that a state may impose on Children Health Insurance Program (CHIP) eligibility. A lock-out period is the period of time a client cannot enroll in CHIP as a consequence of premium payment delinquency. Under this rule, the lock-out period is limited to no more than 90 days. It is estimated that caseload will increase by 1,300 in Fiscal Year 2015 as a result of the new rule. (General Fund-State, General Fund-Federal)

### **ProviderOne Affordable Care Act Enhancements**

Funding is provided to implement required modifications to the ProviderOne system necessary to enhance operation of the new Modified Adjusted Gross Income methodology. These modifications include changes for a new Recipient Aid Category for newly eligibles, new client data elements, increased frequency for the ACES and ProviderOne interface, and support of an anticipated increase in client record volume. Funding also is provided to support a marketing campaign targeted to uninsured childless adults. (General Fund-State, General Fund-Federal)

### **ProviderOne Phase 2 Operations and Maintenance**

Funding is provided for ongoing operational activities and provider support for the ProviderOne Phase 2 project as the project transitions to implementation. (General Fund-State, General Fund-Federal)

### **Medicaid Plan Choice**

Funding is provided to implement functionality that will allow Medicaid clients to select the Medicaid managed care organization of their choice within the Washington Healthplanfinder online marketplace. This option will be available in Fiscal Year 2015. (General Fund-State, General Fund-Federal)

### **Developmental and Autism Screenings**

Funding is provided for the Health Care Authority to add developmental screenings for children ages 9, 18 and 24 months and to add autism screenings for children ages 19 and 24 months, beginning July 1, 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

### **Attorney General Legal Services**

The agency's budget is adjusted to align with increased billing levels for legal services in the 2013-15 Biennium because of an increased use of legal services in certain agencies and enhanced recruitment and retention efforts in the Office of the Attorney General. (General Fund-State, Other Funds)

### **Office of Chief Information Officer Services**

The agency's budget is adjusted to align with increased billing levels for the Office of the Chief Information Officer because of implementation of the Washington master address service database. (General Fund-State, Other Funds)

### **Administrative Hearings**

The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 Biennium, including equipment replacement purchases at the Office of Administrative Hearings. (General Fund-State, General Fund-Federal)

### **State Employee Health Insurance**

Funding for state employee health insurance is adjusted from \$763 per month per employee to \$703 per month per employee in Fiscal Year 2015. (General Fund-State, Other Funds)